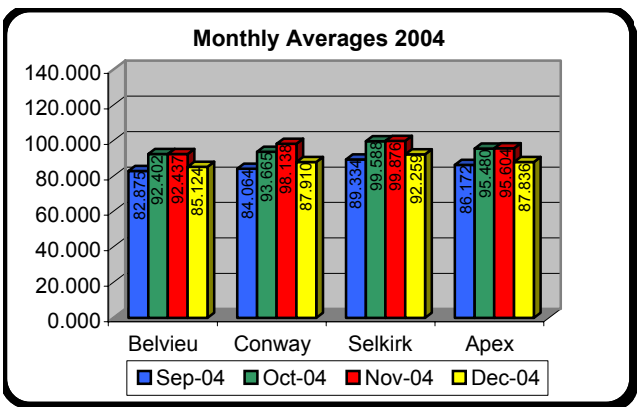
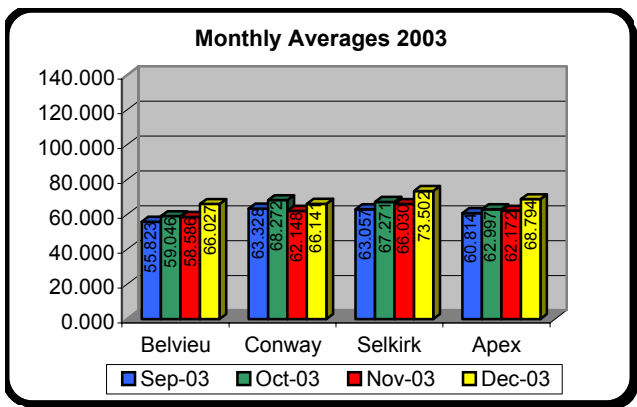
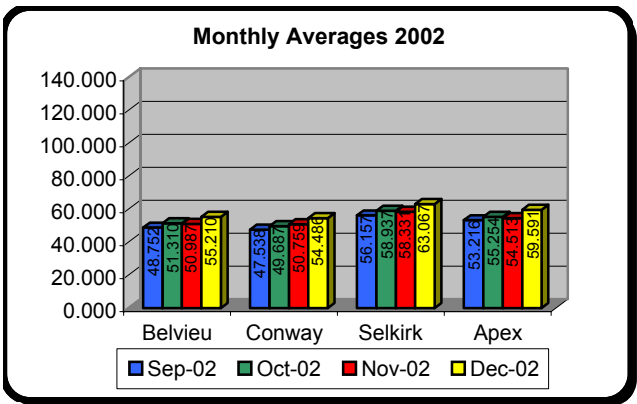


Fall to Winter: What a Difference Five Years Makes



Looking at the average price of propane on a monthly basis from September through December over the past five years, there is a definite trend of increasing prices when one would expect them to rise. In three of the last five years, Mont Belvieu prices in December ended up being higher than in September.

During the four-month period in 2002, Mont Belvieu's posted average increased 6.458 cents/gal., in 2003 the gain was 10.204 cents, and in 2004 it was 2.249 cents higher in December.

But in 2001 and 2005 Belvieu's posted average actually fell from September through December. In 2001 this was from a lack of winter demand early on in 2005 it stemmed from the jump prices made following Hurricanes Katrina and Rita. In 2001, Belvieu's posted average lost 10.202 cents and in 2005 it was off 4.135 cents by December.

Reviewing spot prices, Belvieu spots fell during three of those five years, while Conway (Group 140) spots increased in three of those years.

—Pete Ottman

